

SII Investments, Incorporated

Richard S. Wood

Michael C. Tuma

Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act

Date: February 13, 2004

Respondents: SII Investments, Incorporated, Richard S. Wood, and Michael C. Tuma

Allegations: Failure to Supervise, Fraud, Conversion of Funds

Order: Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act alleging Richard S. Wood took money from his brokerage customers without authorization and used the money to purchase securities in his own account. SII Investments, Incorporated and Michael C. Tuma failed to reasonably supervise Richard Wood. Richard Wood converted a total of \$1,853,730.27 of customers funds for personal use.

Order to Bar Richard S. Wood

Date: June 2, 2004

Respondent: Richard S. Wood

Allegations: conversion of funds, fraud

An Order to Bar Respondent Richard S. Wood was issued after respondent failed to file a request for hearing or otherwise respond to the Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act, served upon Wood on February 26, 2004.

Consent Order for Respondent SII Investments, Inc. and Michael C. Tuma

Date: July 14, 2004

Respondents: SII Investments, Inc. and Michael C. Tuma

Allegations: In a Notice of Intent to Invoke Administrative Sanctions issued to respondents on February 26, 2004, it was alleged that respondents had failed to properly supervise Richard S. Wood.

Without admitting or denying the allegations, Respondents Tuma and SII entered into a Stipulation for Consent Order. Respondent Tuma agreed to retake, and pass, the Series 24 examination by June 30, 2005. The Notice of Intent was dismissed with respect to Respondent Tuma, and Respondent SII was censured. Staff for the Commissioner recognize the following mitigating factors in relation to this case: Respondents SII and Tuma cooperated fully with staff in its investigation of this case, and in staff's previous investigation and prosecution of Richard S. Wood; the victims of Respondent Wood's actions have obtained full restitution through Boeing Wichita Credit Union and Respondent SII; and respondent SII agreed to pay \$50,000 to the investor education fund of the Office of the Securities Commissioner.

Notice to Investors: If you are not a resident of Kansas and have been affected by actions that are similar to those described in this synopsis, you should consider contacting your state securities regulator for assistance. To locate your securities regulator, go to the [North American Securities Administrators Association](#) website. If you choose to contact your state securities regulator, please inform him or her of the action taken by the State of Kansas.